



KEMPSEY
Shire Council

DIRECTOR CORPORATE SERVICES REPORT

18th July 2006

DCS7	SUNDRY DEBTORS – WRITE OFF
	FILE: 562 GBS

SUMMARY:

Reporting on the proposed write-off of sundry debtor accounts.



DESCRIPTION:

Contributions to Footpath Construction

In 2003 Council constructed a footpath/cycleway adjacent to sixteen (16) properties in Phillip Drive, South West Rocks.

The owners at the time were notified in writing by Council of the proposed construction and that they would be liable for half the actual cost of the new footpath. Accounts for the contributions were not issued until October 2005.

In respect of two (2) properties the ownership changed between the time of the footpath construction and the issue of the accounts. The new owners have denied liability for the charge.

Legal opinion indicates that as the Section 603 Certificate issued at the time of the sales (April 2004 and March 2005) did not indicate that the properties would be subject to the charge, Council would be unable to recover the debt.

Accordingly, approval to write-off \$505.21 (excl. GST) for each of the properties, being 78 Phillip Drive and 84 Phillip Drive, South West Rocks, is requested.

Procedures relating to the notification of property owners; inclusion of appropriate notification on Section 603 certificates; and, issue of accounts are being reviewed to ensure that Council's accounts for kerb and gutter, and footpath contributions are secured.

Tipping Fees

A local Housing Company was placed in liquidation on 29th April 2004 with debts of \$998,814, including \$448.61 due to Council for waste fees incurred at the Central Waste Receiving and Disposal Facility.

The liquidators have indicated that based on available information no distribution will be made to Creditors.

The Director Corporate Services has delegated authority to write-off debts below the value of \$500. The Director has approved the write-off.

Council is advised of this write-off for information only.

REPORT IMPLICATIONS:

- *Environmental*

Nil.

- *Social*

Nil.

- *Economic (Financial)*

Council has a provision for Doubtful Debts of approximately \$16,000. The debts the subject of this report will be written off against this provision, and thus will not effect Council's Working Funds Account.

- *Policy or Statutory*

The General Manager and the Director Corporate Services have delegated authority to write-off debts below the value of \$500.

- *Director's Review*

As per Report.

RECOMMENDATION:

1. That Council write-off the amount of \$505.21 for footpath contributions for each of the properties of 78 Phillip Drive and 84 Phillip Drive, South West Rocks.
2. That the write-off of \$448.61 for tipping fees on Assessment No. 20020/105/8 under delegated authority be noted.

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G B Snape
DIRECTOR CORPORATE SERVICES